UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

MILK MARKETING ORDERS DIVISION

SUMMARIES OF FEDERAL MILK MARKETING ORDERS

Revised through May 1, 1961

Attached are revised Summaries of Federal Milk Marketing Orders which were amended during the period March 2 through May 1, 1961. No new orders became effective during this period.

Separate pages show suspension orders and Federal Register Citations.

SUSPENSION ORDERS

Issued during the period March 2 through May 1, 1961

Fort Wayne: Page 32-3: Suspension order raises Class I price 40 cents in April and May 1961.

Great Basin: Page 63-3: Class I price, of $5.25, extended indefinitely.

Supplement to Federal Register Citations
(March 2 through May 1, 1961)

Market and Citation	Date Published	Action
AUSTIN-WACO - C.F.R. 952		
26 FR 2333	3-21-61	Amendment No. 5
CINCINNATI - C.F.R. 965		
26 FR 1815	3-2-61	Order, as amended
COLORADO SPRINGS-PUEBLO - C.F.R. 994		
26 FR 2639	3-29-61	Amendment No. 3
CORPUS CHRISTI - C.F.R. 998		
26 FR 2335	3-21-61	Amendment No. 4
FORT WAYNE - C.F.R. 932		
26 FR 2710	3-31-61	Order suspending certain provisions
26 FR 3683	4-29-61	Order, as amended
GREAT BASIN - C.F.R. 963		
26 FR 3561	4-26-61	Amendment No. 3
26 FR 3691	4-29-61	Order suspending certain provisions
KANSAS CITY - C.F.R. 913		
26 FR 3559	4-26-61	Amendment No. 13
NORTHEASTERN WISCONSIN - C.F.R. 1016		
26 FR 3092	4-12-61	Order, as amended
NORTHERN LOUISIANA - C.F.R. 966		
26 FR 2334	3-21-61	Amendment No. 2
NORTH TEXAS - C.F.R. 943		
26 FR 2332	3-21-61	Amendment No. 16
ST. LOUIS - C.F.R. 903		
26 FR 3682	4-29-61	Amendment No. 14

Supplement to Federal Register Citations -Continued
(March 2 through May 1, 1961)

Market and Citation	Date Published	Action
SAN ANTONIO - C.F.R. 949		
26 FR 2332	3-21-61	Amendment No. 6
SOUTHEASTERN FLORIDA - C.F.R. 1018		
26 FR 3692	4-29-61	Amendment No. 4
SUBURBAN ST. LOUIS - C.F.R. 947		
26 FR 3272	4-18-61	Amendment No. 1
WASHINGTON, D. C. - C.F.R. 902		
26 FR 3557	4-26-61	Amendment No. 4

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(As summaries of new and amended orders are prepared, page numbers will be preceded by the order number. For example, Michigan Upper Peninsula is Order number 111; there are four pages in this summary. Thus, the page numbers are 111-1; 111-2; 111-3; 111-4. The following index reflects this system of page numbering and also shows all page numbers in the summaries which have not been revised. Using Chicago as an example, the page numbers are listed in the index as pages 45 through 48-c and 49; thus, the entire summary of this order occupies pages 45, 46, 47, 48, 48a, 48b, 48c, and 49. The pages of the introduction and Federal Register Citations are numbered consecutively with the abbreviations "Int." or "Cit." preceding the number.)

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FEDERAL MILK ORDER NO. 52
Austin-Waco, Texas

Marketing Area:

1. All territory, including governmental installations and institution in the Texas Counties of Travis, Hays, Lampasas, Burnet, Caldwell, Bastrop, Williamson, Bell, Falls, McLennan, Coryell, Comal, and Guadalupe.

Population (1950 Census): 565,705

Principal places are: Austin, Waco, New Braunfels, Sequin, Taylor, and Temple, Texas.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Class I milk is disposed of in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I milk received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditons.

Regulated (Approved) Plant (except a producer-handler plant or a plant regulated under another order:

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of Class I milk on routes in the marketing area averages over 500 pounds per day or 5 percent of receipts from dairy farmers and other plants, whichever is less.

2. Supply plant. A plant inspected and approved by any health authority for handling milk for fluid consumption which ships milk, skim milk, or cream to a regulated distributing plant:

a. On four or more days any month, February-July, or a daily average amount of 3,300 pounds in any such month.
b. On ten or more days any month, August-January, or a daily average amount of 8,300 pounds in any such month; or, a plant which makes shipments on four or more days during any month, August-January, or a daily average amount of 3,300 pounds in any such month and the plant was a supply plant in the preceding February-July.

3. Cooperative association plant. A plant owned and operated by a cooperative association whose members deliver 75 percent or more of their milk to other regulated plants.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.
b. Contained in inventories of fluid milk products at the end of the month.
c. Disposed of for livestock feed.
d. In shrinkage of producer milk and other-source milk, not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers of fluid milk products to producer-handlers.
b. Transfers of fluid milk products in consumer packages.

c. Bulk transfers to unregulated plants over 400 miles from the transferring plant, unless another class is claimed by the transferring handler and Class I utilization at the unregulated plants does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess.
d. Bulk transfers of milk, skim milk or cream to plants within 400 miles of the transferring plant.

Receipts from Unregulated Plants:

1. Classisfication. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. All receipts of fluid and non-fluid milk products from unregulated plants.

2. Compensatory payments. No provision.

Class Prices: (4.0 percent butterfat test)

1. Class I. Class I price under Federal Order No. 43 (North Texas marketing area) plus 38 cents.

*2. Class II.
July-March, the higher of:

a. (Chicago 92-score butter price -3 cents x 4.8) (Chicago area spray-roller powder price -5.5 cents x 8.16); or,
b. Wisconsin Cheddar cheese price x 8.4; rounded to nearest full cent.

April-June: the higher of the price in "a" minus 14 cents, or the price in "b".

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.12.

2. Class II and Producer. Chicago 92-score butter price for the current month x 0.11.

Location Differentials:

1. Class I and Producer. Apply to plants located outside Zone 1 1/ and measured from New Braunfels, Texas, to the county court house in which the plant is located; deduct:

a. 1.5 cents each 10 miles.

Type of Pool:

1. Individual handler, monthly pool.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 5 cents per hundredweight of producer milk and other-source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.

1/ Zone 1 includes all territory south of the northern boundaries of the Texas Counties of Guadalupe, Comal, Kendall, Derr, Edwards, and Val Verde and south of boundary formed by U. S. Highway 90 east of the marketing area to the Colorado River and thence south along the Colorado River.

Differentials at:

Austin - 7.5 cents
Waco - 22.5 cents

Order as amended 4/1/61 (* indicates revised provisions)

FEDERAL MILK ORDER NO. 65
Cincinnati, Ohio-Kentucky

*Marketing Area:

1. All territory within: Butler, Clermont, Hamilton, and Warren Counties, Ohio; and Boone, Campbell, Grant, Harrison, Kenton, and Pendleton Counties, Kentucky.

Population (1950 census): 1,178,462

Principal places are: Cincinnati, Hamilton, and Norwood, Ohio; Covington and Newport, Kentucky.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which milk is disposed of in the marketing area.

3. A cooperative association with respect to producer milk diverted by the association.

Producer-Handler:

1. A dairy farmer who operates a plant from which milk received only from his own production or from regulated or unregulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by an area health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant):

1. Distributing plant.

a. A plant located outside the marketing area which is inspected and approved by an area health authority and from which during the month:

(1) Disposition of Class I milk on routes in the marketing area is 10 percent or more of total route disposition of Class I milk.
(2) A plant located within the marketing area which disposes of milk on routes in the marketing area.

2. Supply plant. A plant inspected and approved by an area health authority for fluid consumption and which ships milk or skim milk to regulated distributing plants equal to one percent or more of total Class I utilization of all regulated distributing plants during the second month preceding such shipments is regulated according to the following schedule:

Months Milk Shipped	Plant is Regulated
October or November	November
Two months, October-December	December
Three months, October-January	January-October

If non-regulated status is requested, such status becomes effective the first month following the request during which no milk is shipped to regulated distributing plants.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk and eggnog.
b. Not accounted for as Class II or III milk.

2. Class II. All skim milk and butterfat:

a. Used to produce ice cream, including frozen deserts and ice cream mix; condensed skim and whole milk; cottage cheese; aerated cream; and dip specialties.
b. Contained in inventories of fluid milk products at the end of the month.

3. Class III. All skim milk and butteffat:

a. Used to produce butter, non-fat dry milk, Cheddar cheese, frozen cream, evaporated and condensed milk.
*b. Disposed of for livestock feed upon notification of and verification by the market administrator.
c. In shrinkage of other source milk.
d. In shrinkage of producer milk, not to exceed 2 percent.
e. Disposed of to commercial food manufacturers.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in the highest priced classification available over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers to producer-handlers.
b. Transfers of fluid milk products in consumer packages.
c. Bulk transfers of milk, skim milk or cream to unregulated plants, unless another class is claimed and verified and use in that class is equivalent to the amount claimed. Excess is assigned, in order, to Classes III, II, and I.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class III, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Classes II and I):

a. Receipts from plants not regulated under any order.
*b. Receipts from plants regulated under other Federal orders, after first subtracting from Class I, receipts of fluid milk products in containers not larger than one gallon from plants regulated under Order 71, Dayton-Springfield, and sour cream in consumer packages if priced as Class I under any other order, or as Class II under Order 41, Chicago, if such products are not packaged in the same containers in the receiving pool plants.

2. Compensatory payments. Apply to receipts in Classes I and II, above, (whenever total deliveries of producer milk are 111 percent or more of total Class I at all regulated plants.) Payment rate: Classes I or II price in each case, adjusted by respective butterfat and location differentials, less:

(Chicago 92-score butter price x 4.2) + (Chicago area spray powder price -6.4 cents x 8.2)

Class Prices: (3.5 percent butterfat test)

1. Basic formula. The higher of the following:

a. Midwest conderseries. Average price paid at Midwest condenseries (3.5 percent).
b. Butter-powder. (Chicago 92-score butter price x 4.2) + (Chicago area spray-powder price -6.4 cents x 8.2)

2. Class I. Basic formula price for the preceding month plus $1.30 with a supply-demand adjustment applied to the resulting price. Such adjustment is determined by the relationship between the ratio of gross Class I and producer receipts in second and third preceding months and standard utilization percentages provided in the order. Maximum adjustment is 3 cents for each 1 percent that utilization in the market differs from the standard with a total adjustment not to exceed 50 cents, June adjustment not to exceed that in preceding May, and January adjustment to be not less than that in preceding December.

3. Class II. (Chicago 92-score butter price x 4.13) + (Chicago area spray powder price -5.5 cents x 8.2)

4. Class III. March-August: Average price paid farmers by the following local plants for 3.5 percent milk:

M and R Dietetic Laboratories, Inc., Chillicothe, Ohio
Carnation Co., Hillsboro, Ohio
Nestles Co. Inc., Hillsboro, Ohio
Beatrice Foods Co., (Osgood Milk Co.), Osgood, Ind.
Carnation Co., Maysville, Kentucky

September-February: Class II price

Butterfat Differentials (3.5 percent butterfat test):

1. Class I. Class II differential for the preceding month + 1.25 cents.

2. Class II. (Chicago 92-score butter price for the preceding month x .118) - (Chicago area spray powder price -5.5 cents x 8.2 x .001)

3. Class III. (Chicago 92-score butter price -5 cents x .120) - (Chicago area spray powder price -5.5 cents x 8.2 x .001) (September-February, Class III differential is same as Class II, except for milk used to produce butter).

4. Producer. Weighted average of Class I, Class II, and Class III differentials.

Location Differentials:

1. Class I. Apply to producer milk at plants located over 30 miles from Cincinnati, which is moved to unregulated plants within 30 miles of Cincinnati in the form of fluid milk products, condensed, skim milk or frozen cream, or which is otherwise disposed of or utilized as Class I or Class II; deduct:

a. 6 cents - 30 to 39 miles
b. 8 cents - 40 to 49 miles
c. 10 cents - 50 to 59 miles
d. 1.5 cents - each additional 10 miles

2. Producer. Above differentials apply to all producer milk.

Type of Pool:

1. Market wide, monthly pool with seasonal incentive payment plan under which the following deductions are made from payments to producers:

30 cents - April
35 cents - May and June
20 cents - July

Such deductions are paid out in equal amounts during September through December.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 2 cents per hundredweight of producer milk and other source milk in Class I.

*2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area, or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices - See "Special Handler Provisions".

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their fluid milk products on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
*c. Make compensatory payments:

(1) On Class I route disposition in the marketing area less Class I purchase from regulated plants; rate is that applicable to receipts from unregulated by regulated plants, or, if the handler so elects.
(2) On all milk received from dairy farmers; amount paid is the difference between class value at order prices and payments to dairy farmers.

Order amended 4-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 98
Corpus Christi, Texas

Marketing Area:

1. All territory in the Texas counties of Brooks, Cameron, Duval, Hidalgo, Jim Wells, Kleberg, Live Oak, Nueces, and San Patricio.

Population (1950 Census): 570,803

Principal places are: Corpus Christi, Arkansas Pass, Three Rivers, Benavides, Falfurrias, Kingsville, and Alice, Texas.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Class I milk is disposed of in the marketing area.

Producer-Handler:

1. A dairy farmer who operates a plant from which milk received only from his own production or from regulated or unregulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid comsumption by any health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Fluid Milk) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of Class I milk on routes in the marketing area is the lesser of 1,000 pounds per day or 3 percent or more of receipts from dairy farmers and other plants.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships a daily average of 5,000 pounds of milk, skim milk, or cream (4.0 percent milk equivalent) to a regulated distributing plant during August-January. A plant qualifies if any such shipments are made, February-July.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

   a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; flavored milk drinks; fluid mixtures of cream and milk or skim milk.
   b. Not accounted for as Class II or Class II-A milk.

2. Class II. All skim milk and butterfat:

   a. Used to produce any product other than a Class I or Class II-A product.
   b. Contained in inventories of Class I and II-A milk products at the end of the month.
   c. Skim milk dumped, upon notification of and verification by the market administrator.
   d. Disposed of for livestock feed.
   e. In shrinkage of producer milk and other source milk, not to exceed 2 percent.

3. Class II-A. All skim milk and butterfat:

   a. Used to produce Cheddar cheese.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

   a. In the form of fluid milk products are Class I unless utilization in other classes is claimed by both plants in which case producer milk at both plants receives priority first in Class I and then Class II over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

   a. Transfers of fluid milk products to producer-handlers.
   *b. Bulk transfers of milk, skim milk or cream to unregulated plants unless other classes are claimed by the transferring handler and utilization in Class I and Class II at the unregulated plant does not exceed receipts from dairy farmers. If Class I and II utilization does exceed such receipts, the transfers are first Class I, to the extent of the excess.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II-A, then Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

   a. Fluid milk products and Class II products reprocessed at the plant.

2. Compensatory payments. No provision.

Class Prices: (4.0 percent butterfat test)

1. Class I. Class I price under Federal Order No. 43 (North Texas marketing area) plus 78 cents.

*2. Class II.
July-February, the higher of:
a. (Chicago 92-score butter price -3 cents x 4.8) + (Chicago area spray-roller powder price -5.5 cents x 8.16); or,
b. Wisconsin Cheddar cheese price x 8.4.

March-June: the higher of the price in "a" minus 12 cents, or the price in "b".

3. Class II-A.

Wisconsin Cheddar cheese price x 8.4

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.120.

2. Class II and Class II-A. Chicago 92-score butter price for the current month x 0.110.

3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located more than 50 miles from Mercedes, Texas, deduct:

a. 1.5 cents each 10 miles over 50.

Type of Pool:

1. Inidividual handler, monthly pool.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 5 cents per hundredweight of producer milk and other source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.

Order amended 4-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 94
Colorado Springs-Pueblo, Colorado

Marketing Area:

1. All territory in the following Colorado counties: El Paso, Pueblo, Huerfano, and Teller.

Population (1950 Census): 178,014

Principal places are: Colorado Springs, Pueblo, and Walsenburg, Colorado.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which fluid milk products are disposed of in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

*4. A cooperative association with respect to members' milk delivered for its account to a regulated plant in a tank truck controlled by the association, if it elects to report as a handler with respect to such milk.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I milk received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority and received at a regulated plant, or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of Class I milk on routes in the marketing area is 20 percent or more of total disposition.
b. Total disposition of Class I milk is 50 percent or more of receipts from dairy farmers and regulated plants.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships 40 percent or more of its approved receipts from dairy farmers to a regulated distributing plant. A plant which qualifies as a supply plant in each of the months September through February is a supply plant in the following March through August, unless non-regulated status is requested.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.

b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.

b. Contained in inventories of fluid milk products at the end of the month.

c. Dumped or disposed of for livestock feed upon notification of and verification by the market administrator.

d. In shrinkage of other source milk.

e. In shrinkage of producer milk, not to exceed 2 percent of direct producer receipts, plus 1.5 percent of bulk transfers from other regulated plants less 1.5 percent of such transfers to other regulated plants.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers of fluid milk products to producer-handlers.
b. Transfers of fluid milk products in consumer packages.
c. Bulk transfers of fluid milk products to unregulated plants in Cache or Weber counties, Utah, or within 200 miles of Colorado Springs unless another class is claimed by the transferring handler and Class I utilization at the unregulated plants does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the Class I excess is prorated to receipts at such plants from all Federal order plants.
d. Bulk transfers of fluid milk products to plants more than 200 miles from Colorado Springs and located outside Cache or Weber Counties, Utah.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Receipts not priced under another order.
b. Receipts priced under another order, after first subtracting from Class I, packaged sour cream received from and priced as Class II under Chicago in months when sour cream was not packaged or processed in the plant.

2. Compensatory payments. Apply to receipts not priced under another order in Class I whenever total deliveries of producer milk are 110 percent or more of total Class I at all regulated plants. Payment rate: Class I price adjusted by butterfat and location differentials, less Class II price, adjusted by Class II butterfat differential.

Class Prices: (3.5 percent butterfat test).

1. Basic formula. Basic price is the higher of the following:

a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent).
b. Butter powder price. (Chicago 92-score butter price -3 cents x 4.2) + (Chicago area spray-roller price -5.5 cents x 8.5 x 0.965).

2. Class I. Through January 1962, basic formula price for the preceding month plus $2.20.

*3. Class II. (Except butter and hard cheese April-September 1961) The Class II price is:

a. Basic formula price for the current month: August-February.
b. Basic formula price for the current month less 20 cents: March-July.

*4. Class II. (Butter and hard cheese), April-September 1961:

a. Class II price above, minus 10 cents.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.14.

2. Class II. Chicago 92-score butter price for the current month x 0.12.

3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I. Apply to plants located over 200 miles from Colorado Springs, deduct:

a. 31.5 cents - 201 to 210 miles.
b. 1.5 cents - each additional 10 miles.

2. Producer. Same as Class I, except producer milk diverted to nonpool plants is priced at such plants.

Type of Pool: Market wide, monthly pool.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 5 cents per hundredweight of producer milk and other-source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area, or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices - see "Special Handler Provisions".

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base Payment. No provision.

Special Handler Provision. (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order and supply plants regulated under another order are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
c. Make compensatory payments:

(1) On Class I route disposition in the marketing area, rate is that applicable to receipts from unregulated by regulated plants; or, if the handler so elects:
(2) On all milk received from diary farmers, amount paid is the difference between class values at order prices and payments to dairy farmers.

Order, as amended 5-1-61

FEDERAL MILK ORDER NO. 32
Fort Wayne, Indiana

Marketing Area:

1. All territory, including governmental installations and institutions, in Adams, Allen, De Kalb, Huntington, Lagrange, Noble, Steuben, Wells, and Whitley Counties, Indiana.

Population (1950 Census): 359,439

Principal places are: Fort Wayne and Huntington, Indiana.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant with route distribution in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

*4. A cooperative association with respect to producer milk delivered under specified conditions from the farms of its members to other regulated plants.

Producer-Handler:

1. A dairy farmer who operates a plant from which fluid milk products received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority or, regardless of inspection is accepted by an agency of the Federal Government and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of fluid milk products on routes in the marketing area is 10 percent or more of receipts from dairy farmers and other plants; and

b. Total route disposition of fluid milk products is 50 percent or more of Grade A receipts from dairy farmers and other plants.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of approved receipts from dairy farmers to a regulated distributing plant. A plant which qualifies as a supply plant in the months September through December is a supply plant in the following January through August upon its request.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the volume weight of reconstituted skim milk.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product and sour cream products labeled "Grade A". Fluid milk products; milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.
b. Contained in inventories of fluid milk products at the end of the month.
c. Disposed of in bulk to commercial food manufacturers.
d. Skim milk dumped as authorized by the market administrator.
e. Disposed of for livestock feed.
f. In shrinkage of other source milk.
g. In shrinkage of producer milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers to producer-handlers
b. Transfers of fluid milk products in consumer packages.
c. Bulk transfers of fluid milk products to a plant regulated under another order if classified as Class I under the other order.
d. Bulk transfers of milk, skim milk or cream (except non-Grade A cream) to unregulated plants within 250 miles of Fort Wayne, unless another class is claimed by the transferring handler and utilization in Class I at the unregulated plants does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess and are prorated to receipts from all Federal order plants.

e. Bulk transfers of milk, skim milk or cream (except non-Grade A cream) to plants more than 250 miles from Fort Wayne.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Non-fluid milk products.
b. Fluid milk products not priced under another order.
c. Fluid milk products priced as Class I under another order.
(Packaged receipts of fluid milk products not reprocessed at the plant are subtracted from Class I.)

2. Compensatory payments. Apply to (a) and (b) receipts in Class I, above, whenever total deliveries of producer milk are 110 percent or more of total Class I at all regulated plants. Payment rate on receipts in (a) above is Class I price less Class II price, both adjusted by butterfat differentials. Payment rate on receipts in (b) is Class I price less Class II price, both adjusted by applicable butterfat and location differentials.

Class Prices: (3.5 percent butterfat test)

1. Basic formula. Higher of the following:

a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent).
b. (Chicago 92-score butter price -3 cents x 4.2) + (Chicago area spray-roller powder price -5.5 cents x 8.2).

2. Class I. Basic formula price for the preceding month plus: $1.20 through March 1963.

3. Class II. Basic formula price for current month.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.125.

2. Class II. Chicago 92-score butter price for the current month x 0.115.

3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located 60 miles or more from Fort Wayne, deduct:

a. 10.0 cents - 60 to 70 miles.
b. 1.5 cents - each additional 10 miles.

Type of Pool:

1. Market wide, monthly pool with seasonal incentive payment plan under which 8 percent of the Class I price is withheld April through June, and the fund is paid out at the rate of one-third per month during September through November.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices - see "Special Handler Provisions".

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their milk as Class I milk on routes in the marketing area of another order are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
c. Make compensatory payments:

(1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants; or, if the handler so elects,
(2) On all milk received from dairy farmers; amount paid is the difference between class values at order prices and payments to dairy farmers.

Order amended 5-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 63
Great Basin

*Marketing Area:

1. All territory, including govermental installations and institutions, within the Counties of Box Elder, Davis, Morgan, Salt Lake City, Tooele, Utah, Wasatch, Weber, Summit, Grand, Daggett, Duchesne, Carbon, Sanpete, Juab, Millard, Sevier, Uintah, and Emery in Utah, and the Counties of Elko and White Pine in Nevada.

Population (1950 Census): 634,516

Principal places are: Salt Lake City, Ogden, and Provo, Utah; and Elko, Nevada.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which fluid milk products are disposed of in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant, and such association with respect to member milk delivered to a regulated plant in tank trucks owned or operated by the association.

Producer-Handler:

*1. A dairy farmer who operates a plant from which fluid milk products received only from his own production or from regulated plants (receipts from regulated plants limited to 3,000 pounds per month or 5 percent of Class I sales, whichever is larger) are distributed in the marketing area.

Producer:

1. Any person, except a producer-handler and a producer regulated under another order, who produces milk inspected and approved for fluid consumption by any health authority or, regardless of inspection is accepted by an agency of the Federal Government and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

*1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of fluid milk products on routes in the marketing area is 15 percent or more of total route disposition of fluid milk products; and,

b. Total route disposition of fluid milk products is 50 percent or more of receipts from dairy farmers and supply plants, August-March and 40 percent, April-July.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers and other plants to a regulated distributing plant. A plant which qualifies as a supply plant in each of the months August through January is a supply plant in the following February through July unless non-regulated status is requested.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated, skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks, fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.
b. Contained in inventories of fluid milk products at the end of the month.
c. Skim milk dumped, or disposed of for livestock feed upon notification of and verification by the market administrator.
d. In shrinkage of other source milk.
e. In shrinkage of producer milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of bulk fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers of fluid milk products to producer-handlers.
b. Transfers of fluid milk products in consumer packages.

*c. Bulk transfers to unregulated plants unless located within 525 miles from Salt Lake City, and unless another class is claimed by the transferring handler and utilization in Class I at the unregulated plants does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess and are prorated to receipts at such plants from all Federal order plants

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Non-fluid milk products.
b. Fluid milk products not priced under another order.
c. Fluid milk products classified and priced as Class I under another order after first subtracting from Class I packaged sour cream not processed or packaged by pool plants during the month if classified and priced as Class II under Order No. 41 (Chicago, Illinois).

2. Compensatory payments. Apply to "a" and "b" receipts in Class I, above, whenever total deliveries of producer milk are 110 percent or more of net Class I at all regulated plants. Payment rate for Class I receipts in "b": Class I price adjusted by butterfat and location differentials, less: Class II price, adjusted by Class II butterfat differential: For Class I receipts in "a", payment rate is Class I price, less Class II price both adjusted by respective butterfat differentials.

Class Prices: (3.5 percent butterfat test)

1. Basic formula. The higher of the following:

a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent).
b. Butter-powder price. (Chicago 92-score butter price -3 cents x 4.2) + (Chicago area spray-roller price -5.5 cents x 8.2).

*2. Class I. Class I price shall be $5.25.

3. Class II. (Chicago 92-score butter price x 4.03) + (Chicago area spray powder price x 8.2) -55 cents.

Butterfat Differenitals:

1. Class I. Chicago 92-score butter price for the preceding month x .135.

2. Class II. Chicago 92-score butter price for the current month x .115.

3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located 100 miles or more from Ogden, Price, Richfield, or Vernal, Utah, whichever is closest; deduct:

a. 15.0 cents - 100 to 110 miles.
b. 1.5 cents - each additional mile.

Type of Pool:

1. Market wide, monthly pool with base payments.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other source milk allocated to Class I.

*2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area, or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order price - see "Special Handler Provisions".

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base Payment. Base payment plan applies February through following January with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of August-December by the number of days of delivery during the period (not less than 120 days).

a. Transfers to any other person are permitted under specified circumstances.
b. A producer who has no base or relinquishes his base is assigned a base equal to 45-80 percent (varies by months) of his deliveries until an earned base is established.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order, and supply plants which qualify as regulated plants February-July on basis of shipments August-January, are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the marketing administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.

c. Make compensatory payments:

(1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants; or, if the handler so elects,

*(2) On all milk received from dairy farmers; amount paid is the difference between class values at order prices and payments to dairy farmers.

Order amended 5-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 13
Kansas City, Missouri-Kansas

Marketing Area:

1. All territory in Jackson, Cass, Bates, Lafayette, Johnson, Henry, and St. Clair Counties, Missouri and specified areas in Platte and Clay Counties, Missouri; Wayndotte, Leavenworth, Johnson, Douglas, Shawnee, Lyon, Morris, Miami, and Riley (exclusive of the Fort Riley military reservation) Counties, Kansas.

Population (1950 Census): 1,200,830

Principal places are: Kansas City, Missouri; Kansas City and Topeka, Kansas.

Handler:

1. The operator of a regulated plant.
2. The operator of an unregulated distributing plant from which fluid milk products are disposed of in the marketing area.
3. A cooperative association with respect to producer milk diverted under specified conditons for its account from a regulated to an unregulated plant.
4. Cooperative associations which choose to report as handlers with respect to milk of producer members delivered in tank trucks owned or operated under contract by the association to other regulated plants and producer-handler plants, and such associations with respect to milk of producer members delivered in cans to regulated plants of two or more handlers in a single delivery period.

Producer-Handler:

1. A dairy farmer who operates a plant from which fluid milk products received only from his own production, from regulated plants, or from cooperative associations in tank trucks are distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority or, regardless of inspection is accepted by an agency of the Federal Government and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated Pool Plant (except a plant regulated under another order or a handler or producer-handler plant which disposes of an average of less than 600 pounds of Class I milk per day on routes in the marketing area):

1. Distributing Plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of Class I milk on routes in the marketing area is 20 percent or more of receipts from dairy farmers and other plants; and

b. Total route disposition of Class I milk is 30 percent or more of receipts from dairy farmers and other plants, March through June; 35 percent, December through February; and, 45 percent, July through November.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers (less Class I route disposition) to a regulated distributing plant. A plant which qualified as a supply plant in each of the months August through December is a supply plant in the following January through July unless non-regulated status is requested. A plant which qualifies as a supply plant October through December and as a cooperative association plant August through September 1959 remains qualified, January through June 1960.

3. Cooperative association plant:

a. A plant operated by a cooperative association if 65 percent of the milk of producer members is delivered to other regulated plants during the month.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the volume weight of reconstituted skim milk.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.
b. Contained in inventories of fluid milk products at the end of the month.
c. Disposed of to commercial food manufacturers.
d. Disposed of for livestock feed and skim milk dumped upon notification and verification by the market administrator.
e. In shrinkage of other source milk.
f. In shrinkage of producer milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of milk, skim milk, or cream are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following transfers of milk, skim milk or cream are Class I:

a. Transfers to producer-handlers.
b. Transfers of fluid milk products in consumer packages.
c. Transfers to unregulated plants within 200 miles of Kansas City, Misouri; Manhattan, or Emporia, Kansas, whichever is closest, unless another class is claimed by the transferring handler and Class I utilization at the unregulated plants does not exceed receipts, the transfers are Class I to the extent of the excess.
d. Transfers of milk, skim milk or cream (except Grade-C cream and cream utilized in Class II under another order) to plants more than 200 miles from Kansas City, Missouri; Manhattan or Emporia, Kansas, whichever is closest.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Fluid milk products not priced under any order, and receipts of all nonfluid milk products reprocessed at the plant.
*b. Fluid milk products priced under another order. (Packaged receipts of sour cream or yogurt priced as Class II under Chicago or Class I under other Federal orders are subtracted from Class I).

2. Compensatory payments. Apply to receipts in Class I, above, whenever total deliveries of producer milk are 120 percent or more of total Class I at all regulated plants. Payment rate: Class I price adjusted by butterfat and location differentials, less:

Class Prices: (3.5 percent butterfat test)

1. Basic formula. Higher of the following:

*a. Midwest condenseries. Average price paid at Midwest condenseries for 3.5 percent milk.
b. Butter-powder price: (Chicago 92-score butter price x 4.20) + (Chicago area spray-roller powder price -5.5 cents x 7.0).

*2. Class I. Basic formula price for the preceding month plus:

$1.18: April - July
1.49: August - March

With a supply-demand adjustment applied to the resulting price. Such adjustment is determined by the relationship between the ratio of producer receipts and gross Class I in second and third preceding months and standard utilization percentages provided in the order. Maximum adjustment is 3 cents for each 1 percent that utilization in the market differs from the standard with a total adjustment not to exceed 45 cents.

*3. Class II. Higher of the following:

a. Average price paid farmers by the following local plants for 3.5 percent milk plus 19 cents:

Borden Company, Fort Scott, Kansas
Carnation Company, Girard, Kansas
Kraft Foods Company, Nevada, Missouri
Pet Milk Company, Iola, Kansas
Swift and Company, Parsons, Kansas

b. (Chicago 93 (92)-score butter price x 4.24) + (Chicago area spray powder price x 8.2) - 74 cents.

Butterfat Differentials:

*1. Class I. Chicago 92-score butter price for the current month x .12.

*2. Class II. Chicago 92-score butter price for the current month x .115.

3. Producer. Chicago 92-score butter price for the current month plus 4 cents x .10.

Location Differentials:

1. Class I. Apply to plants located 50 miles or more from Kansas City, Missouri; and Lawerence, Topeka, Manhattan, Council Grove, or Emporia, Kansas; deduct:

a. 16.0 cents - 50 to 70 miles.
b. 0.5 cents - each additional 10 miles.

2. Producer. Above differentials apply:

a. August - January to all producer milk.
b. February - July to base milk.

Type of Pool:

1. Market wide, monthly pool with base payments.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 2 cents per hundredweight of producer milk.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area, or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices - see "Special Handler Provisions".

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. Base payment plant applies Fedruary through July with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of September through December by the number of days of delivery during the period (not less than 90 days).

a. Provides for bases for dairy farmers who become producers by virtue of plant status changing from unregulated to regulated.
b. Transfers to family members are permitted under specified circumstances.
c. Provision is made for those holding a base under another order who became producers under this order after the base-forming period.
d. Joint-held bases may be divided among the joint holders upon request.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
c. Make compensatory payments:

(1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants or, if the handler so elects.
(2) On all milk received from dairy farmers; amount paid is the difference between class values at order prices and payments to dairy farmers.

FEDERAL MILK ORDER NO. 43
North Texas

Marketing Area:

1. All territory, including governmental installations and institutions, in Texas counties of Cooke, Collin, Dallas, Delta, Denton, Ellis, Fannin, Grayson, Hopkins, Hunt, Johnson, Kaufman, Lamar, Parker, Rockwall, and Tarrant.

Population: (1950 Census): 1,437,082

Principal places are: Dallas, Ft. Worth, Gainesville, Denton, Cleburne, Waxahachie, Sherman, Paris, and Sulphur Springs, Texas.

Handler:

1. The operator of a regulated plant.

2. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant, and such an association with respect to milk of producer members delivered to other regulated plants in tank trucks owned or operated under contract by such association.

Producer-Handler:

1. A dairy farmer who operates a plant from which Grade A fluid milk products received only from his own production or from regulated plants (not in excess of 5 percent of own production) is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by an area health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant. (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by an area health authority and which disposes of Grade A fluid milk products on routes in the marketing area.

2. Supply plant. A plant inspected and approved by an area health authority for handling milk for fluid consumption which during the month ships 50 percent or more of its approved receipts from dairy farmers and other plants to a regulated distributing plant where such shipments are assigned to a reserve credit supply equal to the remainder obtained by deducting Class I sales to other pool plants and 85

percent of producer receipts at the distributing plant. (This monthly requirement is not necessary during any four-month period, if shipments over the entire period are 50 percent and during the last month of the period are 15 percent of receipts).

A plant which qualifies as a supply plant in the months September through December is a supply plant in the following January through August upon its request, except that shipments in August must equal 15 percent of receipts to maintain status during that month.

3. Cooperative association plant. A plant in the area which receives milk from dairy farmers and which is operated by a cooperative association having member producers whose milk is delivered directly to regulated plants of other handlers.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product except sour cream. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.
b. Disposed of to commercial food manufacturers as bulk milk or skim milk, March through August, and bulk cream or ungraded bulk milk or skim milk in any month.
c. Contained in inventories of fluid milk products at the end of the month.
d. Disposed of for livestock feed (maximum, 0.5 percent of fluid milk product disposition) under specified conditions.
e. In shrinkage of other source fluid milk products.
f. In shrinkage of producer milk, not to exceed 0.5 percent of direct receipts from producers plus 1.5 percent of bulk receipts from both producers and other regulated plants which are not disposed of in bulk to another plant.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another in the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Bulk transfers to producer-handlers.
b. Transfers of fluid milk products in consumer packages.
c. Transfers to a plant regulated under another order.
d. Bulk transfers to unregulated plants located outside the marketing area and specified counties in Missouri, Texas, Oklahoma, and Kansas.
e. Bulk transfers to unregulated plants located within the marketing area and specified counties in Missouri, Texas, Oklahoma, and Kansas; unless another class is claimed by the transferring handler and Class I utilization at the unregulated plant (less receipts from dairy farmers, receipts of packaged fluid milk products, and disposition of non-Grade A cream) does not exceed Class I claimed by all transferring handlers. If such utilization at the unregulated plant is in excess of the transfers, the transfers are Class I to the extent of the excess.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Non-fluid milk products not priced under another order.
b. Fluid milk products not priced under another order.
c. Fluid milk products priced under another order (after first deducting 5 percent of producer receipts).

2. Compensatory payments. Apply to "a" receipts in Class I, above, at all times and to "b" receipts whenever total deliveries of producer milk are 110 percent or more of total Class I at all regulated plants. Payment rate: Class I price adjusted by Class I butterfat and location differential, less Class II price, adjusted by Class II butterfat differential.

Class Prices: (4.0 percent butterfat test)

*1. Basic formula. The higher of the following:

a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent) adjusted to 4.0 percent by direct ratio.
b. Butter-powder price: (Chicago 92-score butter price -3 cents x 4.8) + (Chicago area spray-roller powder price -5.5 cents x 8.16).

2. Class I. Basic formula price for the preceding month plus:

$1.85: March through June
2.25: July through February

with a supply-demand adjustment applied to the resulting price. Such adjustment is determined by the relationship between the ratio of producer receipts and gross Class I in second and third preceding months and standard utilization percentages provided in the order. Maximum adjustment is three cents for each one percent that utilization in the market differs from the standard. Lesser adjustments are made for non-cumulative or counter-changes from the preceding period. Total supply-demand adjustment is limited to 50 cents.

*3. Class II. April through June: Butter-powder price, less 14 cents, or Cheddar cheese price, whichever is higher. All other months: butter-powder price or Cheddar cheese price, whichever is higher.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.125.

2. Class II. July through February: Chicago 92-score butter price for the current month x 0.115; March through June: butter price x 0.11.

3. Producer. The following differentials, based on Chicago 92-score butter price for the current month:

Differential	Butter price
6 cents	50.0 - 59.99 cents
7 cents	60.0 - 69.99 cents

extended from 3-11 cents by similar brackets.

Location Differentials:

1. Class I. Apply to plants located 110 miles or more from Dallas, Texas, deduct: 1.5 cents each 10 miles.

2. Producer. Above differentials apply:

a. July-February to all producer milk.
b. March-June to base milk.

Type of Pool:

1. Market wide, monthly pool with base payments.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other-source milk allocated to Class I.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. Base payment plan applies March-June with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of August-January by the number of days of delivery during the period (not less than 153 days).

a. Transfers to any other person are permitted under specified circumstances.
b. Joint-held bases may be divided among the joint holders upon request.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order and supply plants subject to another order unless qualified under this order each month in the preceding September-December, are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders.
No provision.

Order, as amended 5-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 116
Northeastern Wisconsin

Marketing Area:

1. All territory, in the following Wisconsin counties: Brown, Calumet, Forest, Kewaunee, Langlade, Lincoln, Manitowoc, Oconto, Oneida, Outagamie, Portage, Shawano (excluding the Menominee Indian Reservation), Sheboygan, Vilas, Waupaca, and Winnebago. Also, certain areas of Fond du Lac County and specified cities, towns, and villages in the counties of Door, Marathon, and Wood.

Population (1950 Census): 816,333

Principal places are: Green Bay, Sheboygan, and Oshkosh, Wisconsin.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Grade A milk is disposed of in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

Producer-Handler:

1. A dairy farmer who distributes fluid milk products received only from his own production or from regulated plants in the marketing area.

*Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant, a plant regulated under another order, or a plant located outside the marketing area which distributes less than 600 pounds of fluid milk products per day on routes in the marketing area):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of Grade A fluid milk products on routes in the marketing area is 20 percent or more of receipts from dairy farmers; and
b. Total route disposition of Grade A fluid milk products is 50 percent or more of receipts from dairy farmers and other plants.

*2. Supply Plant. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers to a regulated distributing plant. A plant which qualifies as a supply plant in the months July through November is a supply plant in the following December through June unless non-regulated status is requested.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II or Class III milk.

2. Class II. All skim milk and butterfat:

a. Contained in inventories of fluid milk products at the end of the month.

3. Class III. All skim milk and butterfat:

a. Used to produce butter, nonfat dry milk, or cheese, except cottage cheese.
b. In skim milk, dumped or disposed of for livestock feed upon notification of and verification by the market administrator.
c. In shrinkage of other source milk.
d. In shrinkage of producer milk, not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of bulk milk, skim milk, or cream are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers to producer-handlers.
b. Transfers of fluid milk products in consumer packages.
c. Bulk transfers to unregulated plants unless another class is claimed by the transferring handler and Class I utilization at the unregulated plants does not exceed regular receipts from Grade A source. If Class I

utilization does exceed such receipts, the transfers are Class I to the extent of the excess and such Class I is prorated to receipts from all Federal order plants.

d. Bulk transfers to plants located outside the marketing area which distribute less than 600 pounds of fluid milk products per day on routes in the marketing area.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class III, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class II, then Class I):

a. Receipts not priced under another order.
b. Receipts priced under another order.

2. Compensatory payments. Apply to receipts not priced under another order in Class I, whenever total deliveries of producer milk are 110 percent or more of total Class I at all regulated plants. Payment rate: Class I price adjusted by butterfat and location differentials, less Class III price, adjusted by Class III butterfat differential.

Class Prices (3.5 percent milk):

1. Basic formula. Basic price is the higher of the following:

a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent).
b. Butter-powder formula. (Chicago 93-score butter price x 4.24) + (Chicago area spray powder price x 8.2) -75.2 cents.

2. Class I. (Through November 1961). Basic formula price for the preceding month plus:

$0.54: March - June.
$0.74: January, February, July, and December.
$0.94: All other months.

3. Class II. Basic formula price.

4. Class III. Butter-powder price + 5 cents, but not to exceed Class II price.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.125.

2. Class II and Class III. Chicago 92-score butter price for the current month x 0.115.

3. Producer. Weighted average of Class I, II, and III differentials.

Location Differentials:

1. Class I and producer. Apply to plants located in Michigan and in the Wisconsin counties of Florence, Forest, Marinette, Oneida, and Vilas; add 10 cents.

Type of Pool: Market wide, monthly pool with base payments.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 5 cents per hundredweight of producer milk and other source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area (or on all milk received from dairy farmers, if they make payments to dairy farmers at order prices - see "Special Handler Provisions").

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

*2. Base payment. Base payment plan applies March-June, with each producer's daily base computed according to one of the following ways:

a. By dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of September-November by the number of days of delivery during the period (not less than 60 days); or
b. In cases where no milk is received at a regulated plant (or a plant which subsequently became a regulated plant) from a producer September-November, or if milk was received on less than 60 days, his base shall be the average daily deliveries of producer milk March-June multiplied by 60 percent in March, 55 percent in April, and 50 percent in May and June; or
c. If the producer in "a" above so elects, he may have his base calculated as in "b", upon notification of the market administrator.

*3. Base rules.

a. Provides for bases for dairy farmers who become producers by virtue of plant status changing from unregulated to regulated.
b. Transfers to any other person are permitted under specified circumstances.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their fluid milk products on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
c. Make compensatory payments:
(1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants or,
(2) On all milk received from dairy farmers; amount paid is the difference between class values at order prices and payments to dairy farmers. This rate is used unless handler elects (1).

Order amended 4-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 66
Northern Louisiana

Marketing Area:

1. All territory in Bossier, Caddo, Claiborne, Desoto, Lincoln, Morehouse, Ouachita, Red River, Union, and Webster Parishes, Louisiana.

Population (1950 Census): 465,638

Principal places are: Shreveport, Monroe, Bossier, and Bastrop, Louisiana.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Class I milk is disposed of in the marketing area.

Producer-Handler:

1. A dairy farmer who operates an approved plant and who received milk only from his own production.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant from which during the month:

a. Disposition of Class I milk on routes in the marketing area averages over 1,500 pounds per day and is 4 percent or more of Grade A milk receipts from dairy farmers and other plants.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships a daily average of 5,000 pounds or more of its approved receipts from dairy farmers to a regulated distributing plant.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

   a. Disposed of in the form of a fluid milk product. Fluid milk products: milk; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
   b. Used to produce concentrated fluid milk.
   c. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

   a. Used to produce ice cream, including frozen deserts and ice cream mix; eggnog; aerated cream; evaporated milk, condensed milk, and milk products packaged in hermetically sealed containers.
   b. Contained in inventories of Class I milk products at the end of the month.
   c. Disposed of to commercial food manufacturers.
   d. Skim milk dumped, April through June, upon notification of the market administrator.
   e. Disposed of for livestock feed.
   f. In frozen cream.
   g. Not accounted for in Class I.
   h. In shrinkage of producer milk and other source not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

   a. In the form of Class I products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

   a. Transfers to producer-handlers.
   b. Transfers of fluid milk products in consumer packages.
   c. Bulk transfers to unregulated plants unless another class is claimed by the transferring handler and utilization at the unregulated plants do not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess.

Receipts from unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

   a. Fluid milk products.
   b. Non-fluid milk products.

2. Compensatory payments. No provision.

*Class Prices: (4.0 percent butterfat test)

1. Basic formula. The higher of the following:

   a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent) adjusted to 4.0 percent by direct ratio.
   b. (Chicago 92-score butter price -3 cents x 4.8) + (Chicago area spray-roller powder price -5.5 cents x 8.16)

2. Class I. Basic formula price for the preceding month plus $2.27.

*3. Class II. July-February: (Chicago 92-score butter price -3 cents x 4.8) + (Chicago area spray-roller powder price -5.5 cents x 8.16).
March-June: Such price minus 5 cents.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.120.

2. Class II. Chicago 92-score butter price for the current month x 0.110.

3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located 50 miles or more from either Minden or Monroe, Louisiana, whichever is closer, deduct:

   a. 12 cents - 50 to 60 miles.
   b. 1 cents - each additional 10 miles.

Type of Pool:

1. Individual handler, monthly pool with base payments.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 5 cents per hundredweight of producer milk and other source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-menbers must be paid to the market administrator.

2. Base Payment. Base payment plan applies February-July with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of September through December by the number of days of delivery during the period (not less than 90 days).

a. Provides for bases for dairy farmers who become producers by virtue of plant status changing from unregulated to regulated.
b. Transfers to any other person are permitted under specified circumstances.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order or supply plants which ship to distributing plants during preceding September-December, are not subject to regulation under this order except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.

Order amended 4-1-61 (*indicates revised provisions)

FEDERAL MILK ORDER NO. 49

San Antonio, Texas

Marketing Area:

1. All territory, including governmental installations and institutions, located within Bexar County, Texas.

Population (1950 Census): 500,460

Principal place is: San Antonio, Texas.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Class I milk is disposed of on routes in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant, or delivered from farms to regulated plants in tank trucks controlled by the association.

Producer-Handler: No provision.

Producer:

1. Any person, except a producer regulated under another order who produces milk inspected and approved for fluid consumption by an area health authority or, regardless of inspection is accepted by an agency of the Federal government and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions. (Excludes, during March-June, producers who delivered to an unregulated plant operated by the same handler on more than half the delivery days during preceding July-February) January 1961-February 1961.

Regulated (Pool) Plant (except a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by an area health authority or which is acceptable to an agency of the Federal government and from which during the month;

a. Disposition of Class I milk on routes in the marketing area is 15 percent or more of receipts from dairy farmers and other plants.

2. Supply plant. A plant inspected and approved by an area health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers to a regulated distributing plant. A plant which qualifies as a supply plant in the months July through February is a supply plant in the following March through June unless non-regulated status is requested.

3. Cooperative association plant.

a. A plant operated by a cooperative association and from which 50 percent or more of members' milk is received in the regulated plants of other handlers or is transferred to such plants from the plant of the cooperative association.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product, except sour cream. Fluid milk products; milk including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Contained in inventories of fluid milk products at the end of the month.
c. Not accounted for as Class II or II-A milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than Class I or II-A product.
b. Disposed of for livestock feed.
c. In shrinkage of other source fluid milk product.
d. In shrinkage of producer milk not to exceed 2 percent.

3. Class II-A. All skim milk and butterfat:

a. Used to produce Cheddar cheese.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of milk, skim milk, or cream are Class I unless utilization in another class is claimed by both plants, in which case producer milk at both plants receives priority in Class I and II over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers to unregulated plants unless another class is claimed by the transferring handler and Class I utilization at the unregulated plant does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess.

2. Transfers to food manufacturing plants which have no Class I disposition are Class II.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II-A after first deducting shrinkage in producer milk from Class II, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Receipts other than condensed skim milk and nonfat dry milk.
b. Receipts in the form of condensed skim milk and nonfat dry milk.
c. Fluid milk products not priced under another order.
d. Fluid milk products priced under another order (or on which compensatory payments have been made under another order.) (Receipts of packaged fluid milk products are subtracted from Class I).

2. Compensatory payments. Apply to receipts in Class I, above. Payment rate: Class I price adjusted by butterfat and, except when applied to "b" above, location differentials, less: Class II price, adjusted by Class II butterfat differential, February-July. During January and August, Class I price adjusted by Class I butterfat differential, less: Uniform price adjusted by Class I butterfat differential. None in September through December.

Class Prices: (4.0 percent butterfat test)

1. Class I. Class I price under Federal Order No. 43 (North Texas marketing area), plus 42 cents.

* 2. Class II.
July -March, the higher of:
a. (Chicago 92-score butter price x 4.4) + (Chicago area spray powder price -5 cents x 8.16); or,
b. Wisconsin Cheddar cheese price x 8.4.

April-June: the higher of the price in "a" minus 14 cents, or the price in "b".

3. Class II-A. Wisconsin Cheddar cheese price x 8.4.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.125

2. Class II and II-A. Chicago 92-score butter price for the current month x 0.108.

3. Producer. Chicago 92-score butter price for the current month x .11.

Location Differentials:

1. Class I and producer. Apply to plants located 50 miles or more from San Antonio, Texas; deduct:

a. 7.5 cents first 50 miles.
b. 1.5 cents each additional 10 miles.

Type of Pool:

1. Market wide, monthly pool.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order for more than 2 consecutive months, are not subject to regulation under this order, except for reports which may be required by the market administrator and compensatory payments on Class I milk disposed of on routes in the marketing area which was neither classified nor priced under another order, or on which no compensatory payment was made under any other order. Rate is that applicable to receipts from unregulated plants by regulated plants.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
c. Make compensatory payments:
(1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants.

FEDERAL MILK ORDER NO. 2
Washington, D. C.

arketing Area:

1. All territory, including governmental installations and institutions and ships at dock in Washington, D. C. and Alexandria, Virginia, and in the following counties: Arlington, Fairfax, and Prince William, all in the State of Virginia; Prince Georges (excluding the town of Laurel), Montgomery, Charles, St. Marys, and specified areas in Calvert and Frederick counties in Maryland.

Population (1950 Census): 1,565,758

Principal places are: Washington, D. C.; Alexandria and Falls Church, Virginia; Rockville, Frederick, and Upper Marlboro, Maryland.

landler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Class I milk is disposed of in the marketing area.

3. The operator of an unregulated supply plant which ships milk to a plant in "2" above.

4. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I milk received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, (except a producer-handler or a dairy farmer whose milk is delivered through a cooperative association with no membership at other regulated plants to a regulated manufacturing plant of another association) who produces milk inspected and approved for fluid consumption by any health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions, except a dairy farmer whose milk is delivered to a regulated plant in March-September from a farm which supplied an unregulated plant of the same handler with Grade A milk or more than a third of the days during the preceding October-February period.

*2. A person who qualified as a producer under "1" in the preceding month by shipping to a supply plant described in "2b" on the next page is qualified in the current month if such plant loses regulated status and deliveries are continued to the plant.

Regulated (Pool) Plant (except a producer-handler plant):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:

a. Disposition of Class I milk on routes in the marketing area is 10 per cent or more of receipts from dairy farmers; and
b. Total route disposition of Class I milk is 50 percent or more of receipts from dairy farmers.

2. Supply plant. a. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers during the months October-February, or 40 percent during the months March-September to a regulated distributing plant which has Class I disposition on routes in the marketing area equal to 10 percent of receipts from dairy farmers and other plants and total Class I route disposition equal to 50 percent of receipts from dairy farmers and other plants. A plant which qualifies as a supply plant in each of the months October through February is a supply plant in the following March through September unless non-regulated status is requested.
b. A plant which ships Class I milk to a regulated distributing plant and which receives milk from dairy farmers, all of whom are members of a cooperative association of which 70 percent or more of the members are qualified producers who ship to regulated plants during the month.

3. Cooperative association plant.

a. A manufacturing plant operated by a cooperative association 70 percent or more of whose members are qualified producers shipping to regulated plants during the month.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product, except sour cream. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product, except sour cream.
b. Contained in inventories of fluid milk products except sour cream at the end of the month.
c. Disposed of for livestock feed.

d. Skim milk dumped upon notification of and verification by the market administrator.
e. In shrinkage of other source milk.
f. In shrinkage of producer milk, not to exceed 1.5 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

a. Transfers of fluid milk products to producer-handlers.
*b. Transfers of fluid milk products to the extent of Class I disposition in the marketing area and retransfers to pool plants which are classified as Class I. Transfers to plants having such disposition are then assigned remaining Class I use in excess of direct receipts from dairy farmers at the plant.
c. Bulk transfers to unregulated plants within 300 miles of Washington unless another class is claimed by the transferring handler and utilization in that class at the unregulated plant is equal to the amount of the transfers. If transfers exceed this utilization, the transfers are Class I to the extent of the excess.
d. Bulk transfers to plants 300 miles or more from Washington, D. C.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

a. Non-fluid milk products.
b. Fluid milk products not priced under another order.
c. Fluid milk products priced under another order.

2. Compensatory payments. Apply to receipts in "a" and "b" above, allocated to Class I. Payment rates: Nonfluid milk product Class I price at location of receiving plant less Class II price, both prices adjusted by butterfat differentials. Fluid milk products: Class I price adjusted for location of the nearest unregulated shipping plant less Class II price, both prices adjusted by butterfat differentials.

Class Prices: (3.5 percent butterfat test)

*1. Class I. (January 1961 through September 1962) July-February, Class I price is $5.55; March-June, $5.10. When the average of Class I prices for the month at New York, Philadelphia, and Chicago deviates from that during the corresponding month of 1958, the above prices are adjusted as follows:

Deviation (Plus or Minus)	Adjustment (Plus or Minus)
0 - 15 cents	0
15.1 - 35	20
35.1 - 55	40
55.1 - 75	60
75.1 - 95	80

2. Class II. The sum of the following butterfat and skim milk prices:

a. Butterfat. Average Philadelphia cream price (40 percent - 40 quarts Pennsylvania and New Jersey approved) -2.00 ÷ 33.48 x 3.5 (not less than New York 92-score butter price x 1.2 x 3.5 -17 cents)

*b. Skim milk. Price based upon Chicago area spray-roller nonfat dry milk:

Nonfat Dry Milk	Skim Price
$0.126 - $0.135	$0.525
.136 - .145	.600

(Increased or decreased by similar brackets up to $0.975)

Butterfat Differentials:

1. Class I. Philadelphia cream price divided by 334.8 (not less than Class II differential).

2. Class II. Butterfat value computed for Class II price divided by 35.

3. Producer. Weighted average of Class I and Class II differentials.

*Location Differentials:

1. Class I. Apply to plants located 75 miles or more from Washington, D. C.; deduct:

a. 12.0 cents - first 75 miles.
b. 1.5 cents - each additional 10 miles.

2. Producer. Above applies, except with respect to excess milk.

Type of Pool:

1. Market wide, monthly pool with base payment.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other source milk allocated to Class I.

2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.

*2. Base payment. Base payment plan applies April-June (beginning in 1962) with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of July-December by the number of days of delivery during the period (not less than 154 days).

a. Provides for bases for dairy farmers who became producers by virtue of plant status changing from unregulated to regulated; for dairy farmers who transferred from the Upper Chesapeake Bay order; and for dairy farmers who transferred from an unregulated plant controlled by a handler to the regulated plant of such handler.
b. Transfers to any other persons are permitted under specified circumstances.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Plants from which a greater portion of their Class I milk is disposed of on routes in the marketing area of another order, and supply plants subject to another order except those which qualified as regulated plants under this order in each month of the preceding October through February are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

a. Submit required reports to the market administrator.
b. Pay specified administrative assessment - see "Expense of Administration" provision.
c. Make compensatory payments.
(1) On Class I route disposition in the marketing area in excess of receipts from regulated plants; rate is that applicable to receipts from unregulated by regulated plants.